

# Bolivian departments of Tarija and Sucre embrace social dialogue

April 19, 2019 - *Would it be possible to get employers and employees around the table in the departments of Tarija and Chuquisaca, as had happened before in the larger departments of Santa Cruz and Cochabamba? That was the big question when Roel Rotshuizen and Arnaldo Montero from CNV Internationaal and Sip Nieuwsma and Peter Boorsma from DECP travelled to Bolivia earlier this month. The Federación de Empresarios Privados de Tarija (FEPT), the regional employers' federation of Tarija, had already heard of the bipartite social dialogue in the other two cities. But for the central trade union Central Obrera Departamental (COD) the ideas were completely new.*

## Two end-of-the-year-bonuses

On Thursday morning, April 11, Rotshuizen, Montero, Nieuwsma and Boorsma first visited the employers in Tarija, united in the FEPT. They complain about labour legislation, which is usually adopted by the government and the national trade union without any intervention of the employers. The annual substantial wage increases and the obligation to pay not one but two end-of-year bonuses in December are particular causes of dissatisfaction. Especially now the economy of Tarija showed negative growth figures for three consecutive years.



*Discussing social dialogue*

But it is precisely this economic downturn that makes the unions in the department open to dialogue with regional employers, as is also apparent when we visit the COD that afternoon. And without companies there are no employees, the trade unionists also know.

## Presenting the Dutch consensus model

The next morning, employers and trade unionists are sitting together in a room in the COD building filled with red plastic seats. At such a short notice people have to improvise and both the foreman of the trade union and the chairman of the employers have to miss a

part of the presentations due to other appointments.

## 'Open to dialogue with regional partners'

Rotshuizen and Nieuwsma talk about the Dutch consensus model and about the functioning of the Labour Foundation. In a PowerPoint Boorsma shows that employers and trade unions in Peru have set up their own labour foundation, following the Dutch example. Montero talks about the initiatives in Santa Cruz and Cochabamba.

## Yes we should!

Is there a need and willingness to meet regularly in Tarija to discuss the most urgent topics? Sure!, says Walter Aguilera, executive secretary of the COD. Sure!, says Victor Fernández, chairman of the FEPT. Both are back from their other appointments just in time. Tarija is going through hard times. Smuggling from Argentina and Chile threatens Bolivian economy and the formal sector. Companies are about to fall and jobs are in danger. The tax burden is far too high. But compliance with labour legislation must also be improved. The chairman of the employers, Fernández, is surprising everybody when he tells he knows how it is like to grow up in a poor family and suffer from hunger from his own experience. Poverty should be erased from Tarija!

## Employers and employees meet monthly

Fernandez and Aguilera embrace each other and sign a simple statement announcing that

they will meet every month to discuss the topics, alternately in the employers' and trade union buildings. The representatives of the trade union of factory workers and those of the utility companies also sign. It is time for lunch and for photos. The first step towards a better understanding between employers and employees has been taken.



*Listening attentively*

### **Sucre, the capital of Bolivia and Chuquisaca**

Four days later the mixed team from CNV International and DECP travelled on to Sucre, the capital of both Bolivia and the Chuquisaca department. The meetings take place according to a similar pattern. In Chuquisaca economy also is going badly. Tourism in the beautiful colonial town is not yet sufficiently developed to compensate for the decline in industrial activity.

## **‘He knows how it is like to grow up in a poor family’**

The COD of Chuquisaca has already drawn up a plan to get the department back on track and would like the employers to support that plan. Apart from that, a constructive dialogue can be started about the problems of Chuquisaca. Broadly speaking these are the same themes as those of Tarija: smuggling, informal economy, declining activity and the high tax burden.



*‘Roel Rotshuzen of CNV International explaining the origins of the Dutch poldermodel in Sucre’*

A discussion arises about whether government employers should also be involved in a platform for social dialogue. The public sector in particular has a bad reputation for not complying with labour regulations. But participants to the meeting agree that when it comes to the economy, it is better to talk to private employers. Something that is endorsed by Nieuwsma and Rotshuizen.

### **Something is changing**

There is no time left to sign a statement in Sucre also. It has become late and it is time to eat. Social dialogue is also going well in Chuquisaca. Something is changing in Bolivia.

Peter Boorsma and Sip Nieuwsma  
Special Advisors

